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SUBJECT: INTELLECTUAL PROPERTY: MEMBERS OF CONGRESS PLEDGE
ASSISTANCE IN FULFILLING FTA COMMITMENTS

REF: SANTIAGO 1045

¶1. (SBU) SUMMARY: The Ambassador and Embassy officials met with several members of Chile's Congress, December 2, to press for progress on implementation of Chile's intellectual property rights (IPR) commitments under the U.S. - Chile Free Trade Agreement (FTA). The Senate Economic Committee took note of U.S. concerns about IPR enforcement and the importance of accelerating consideration of the draft Copyright Law. Senator Sergio Romero promised to provide support for expediting approval of the copyright bill within the Senate. Deputy Fuentealba noted the Foreign Affairs Committee, which he chairs, was not handling IPR-related legislation, but he offered to host a joint-seminar with the Embassy on the status of Chile's FTA commitments. END SUMMARY.

¶2. (U) On December 2, Ambassador, Econoff, and Econ Specialist met with members of the Senate Economic Committee at the Congress Building in Valparaiso. The Committee members included: Senator Fernando Flores (Chile Primero), Senator Jose Garcia (National Renewal-RN), Senator Jovino Novoa (Independent Democratic Union-UDI), and Senator Hosain Sabag (Christian Democrats-DC). The Ambassador also met separately with Senator Sergio Romero (RN), former President of the Senate and now Chairman of the Senate Committee on Rules, and Deputy Renan Fuentealba (DC), Chairman of the Foreign Affairs Committee in the Chamber of Deputies.

Economy Committee Notes U.S. Concerns

¶3. (SBU) The Ambassador told the Economy Committee the U.S. and Chile both wanted the FTA to be a continuing success. It had already accounted for \$17 billion in annual bilateral trade. However, Chile needed to make more progress on implementing its IPR commitments under the FTA. The Ambassador thanked the Senators for passing the Patent Cooperation Treaty (PCT) in October, passing the Illegal Commerce and Piracy Law, and sending it to the Chamber of Deputies for approval. The draft Copyright Law had been under consideration in the Senate for more than a year (October 2007), had over 250 proposed amendments, and had already been approved by the Chamber of Deputies. The Ambassador asked the Committee members to accelerate consideration of the Copyright Law. He said the bill included important provisions that would help Chile meet its IPR obligations, such as regulations on internet service providers.

¶4. (SBU) The Committee took note of the Ambassador's concerns and request. Senator Flores asked for the U.S. position on the key issues in the Copyright Law, underlining the divergent points of view in Chile on IPR. The Ambassador said we had met with DIRECON DG Carlos Furche November 25 and provided U.S. input on the Copyright Law. In addition, DIRECON had previously received input

from USTR on various provisions in the draft legislation. The Ambassador stressed Chile had a responsibility to fulfill its commitments under the FTA.

15. (SBU) Senator Novoa asked if the FTA provided for a Parliamentary Committee. The Ambassador explained there was no such provision. Most issues regarding implementation were discussed directly by USTR and DIRECON. The Labor and Environment Chapters of the FTA provided for separate coordinating meetings. Senator Garcia wondered if there would be new obligations for Chile in the future on Labor, Environment, or IPR. The Ambassador noted this was unlikely given the progress made on implementing most chapters, save IPR. The IPR Chapter of the FTA was designed to bring Chile's standards up to the same level as in Mexico, Singapore, the EU, and other major U.S. trading partners.

Senator Romero Offers Assistance

16. (SBU) The Ambassador told Senator Romero he was meeting with members of Congress to reiterate U.S. support for the FTA and stress the need for progress on Chile's IPR commitments. He noted that in general the FTA was a great success for Chile and the U.S. The Labor and Environment Chapters had evinced important cooperation between both countries. However, the U.S. had not seen the progress it wanted in Chile's implementation of its IPR obligations.

17. (SBU) Highlighting the Senate's work on draft IPR-related legislation, the Ambassador noted the status of the Copyright Law. He asked if the Senate could speed consideration of the bill. This would help fulfill some of Chile's IPR obligations. DG Furche had told the Ambassador November 25 the GOC would ask Congress to assign priority status (urgencia) to the Copyright Law. This could help

secure more rapid approval. Romero explained changing the priority of the draft law would be key. He suggested the Ambassador meet with the Secretary General of the Presidency, Jose Antonio Viera-Gallo, to discuss the issue. The Ambassador has a meeting scheduled with Viera-Gallo for December 15. If the GOC raised the priority of the bill and pushed for passage in January, the effort might succeed prior to the impending summer vacation period. In the meantime, Romero promised to do what he could within the Senate to push for quick passage of the law.

Deputy Fuentealba Offers Joint-Seminar

18. (SBU) The Ambassador thanked Deputy Fuentealba for Congress' assistance in passing important IPR-related legislation, such as the PCT. This would assist Chile in meeting its IPR commitments under the FTA. He noted the Copyright Law was still pending in the Senate, despite its approval by the Chamber of Deputies. Fuentealba said the Congress was aware of the FTA's importance and would do all it could to see Chile complied with its obligations.

19. (SBU) Fuentealba noted the Foreign Affairs Committee, which he chaired, was not handling most IPR-related legislation. He offered to host a joint-seminar with the Embassy on the status of Chile's compliance with the FTA. The seminar could be held in Santiago and in one of Chile's regions, in March. It could devote an entire segment to IPR-related issues. Fuentealba thought it could show the

new U.S. Administration Chile's commitment to full implementation of the FTA. The Ambassador expressed interest in the idea, but noted coordination with DIRECON would be necessary.

SIMONS